

HB3158



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB3158

Introduced 2/24/2011, by Rep. Lou Lang

SYNOPSIS AS INTRODUCED:

30 ILCS 500/50-37

Amends the Illinois Procurement Code. Provides that, for purpose of a Section concerning political contributions to constitutional officers, any contribution made to the Lieutenant Governor shall be considered as having been made to the Governor. Effective immediately.

LRB097 07063 PJG 47156 b

A BILL FOR

1 AN ACT concerning finance.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Procurement Code is amended by
5 changing Section 50-37 as follows:

6 (30 ILCS 500/50-37)

7 Sec. 50-37. Prohibition of political contributions.

8 (a) As used in this Section:

9 The terms "contract", "State contract", and "contract
10 with a State agency" each mean any contract, as defined in
11 this Code, between a business entity and a State agency let
12 or awarded pursuant to this Code. The terms "contract",
13 "State contract", and "contract with a State agency" do not
14 include cost reimbursement contracts; purchase of care
15 agreements as defined in Section 1-15.68 of this Code;
16 contracts for projects eligible for full or partial
17 federal-aid funding reimbursements authorized by the
18 Federal Highway Administration; grants, including but are
19 not limited to grants for job training or transportation;
20 and grants, loans, or tax credit agreements for economic
21 development purposes.

22 "Contribution" means a contribution as defined in
23 Section 9-1.4 of the Election Code. For the purposes of the

1 prohibition of certain contributions as provided in this
2 Section, any contribution made to the Lieutenant Governor,
3 a candidate for the office of Lieutenant Governor, or a
4 political committee formed to support the candidacy of a
5 person seeking the office of Lieutenant Governor shall be
6 considered as having been made to the Governor.

7 "Declared candidate" means a person who has filed a
8 statement of candidacy and petition for nomination or
9 election in the principal office of the State Board of
10 Elections.

11 "State agency" means and includes all boards,
12 commissions, agencies, institutions, authorities, and
13 bodies politic and corporate of the State, created by or in
14 accordance with the Illinois Constitution or State
15 statute, of the executive branch of State government and
16 does include colleges, universities, public employee
17 retirement systems, and institutions under the
18 jurisdiction of the governing boards of the University of
19 Illinois, Southern Illinois University, Illinois State
20 University, Eastern Illinois University, Northern Illinois
21 University, Western Illinois University, Chicago State
22 University, Governors State University, Northeastern
23 Illinois University, and the Illinois Board of Higher
24 Education.

25 "Officeholder" means the Governor, Lieutenant
26 Governor, Attorney General, Secretary of State,

1 Comptroller, or Treasurer. The Governor shall be
2 considered the officeholder responsible for awarding all
3 contracts by all officers and employees of, and vendors and
4 others doing business with, executive branch State
5 agencies under the jurisdiction of the Executive Ethics
6 Commission and not within the jurisdiction of the Attorney
7 General, the Secretary of State, the Comptroller, or the
8 Treasurer.

9 "Sponsoring entity" means a sponsoring entity as
10 defined in Section 9-3 of the Election Code.

11 "Affiliated person" means (i) any person with any
12 ownership interest or distributive share of the bidding or
13 contracting business entity in excess of 7.5%, (ii)
14 executive employees of the bidding or contracting business
15 entity, and (iii) the spouse of any such persons.
16 "Affiliated person" does not include a person prohibited by
17 federal law from making contributions or expenditures in
18 connection with a federal, state, or local election.

19 "Affiliated entity" means (i) any corporate parent and
20 each operating subsidiary of the bidding or contracting
21 business entity, (ii) each operating subsidiary of the
22 corporate parent of the bidding or contracting business
23 entity, (iii) any organization recognized by the United
24 States Internal Revenue Service as a tax-exempt
25 organization described in Section 501(c) of the Internal
26 Revenue Code of 1986 (or any successor provision of federal

1 tax law) established by the bidding or contracting business
2 entity, any affiliated entity of that business entity, or
3 any affiliated person of that business entity, or (iv) any
4 political committee for which the bidding or contracting
5 business entity, or any 501(c) organization described in
6 item (iii) related to that business entity, is the
7 sponsoring entity. "Affiliated entity" does not include an
8 entity prohibited by federal law from making contributions
9 or expenditures in connection with a federal, state, or
10 local election.

11 "Business entity" means any entity doing business for
12 profit, whether organized as a corporation, partnership,
13 sole proprietorship, limited liability company or
14 partnership, or otherwise.

15 "Executive employee" means (i) the President,
16 Chairman, or Chief Executive Officer of a business entity
17 and any other individual that fulfills equivalent duties as
18 the President, Chairman of the Board, or Chief Executive
19 Officer of a business entity; and (ii) any employee of a
20 business entity whose compensation is determined directly,
21 in whole or in part, by the award or payment of contracts
22 by a State agency to the entity employing the employee. A
23 regular salary that is paid irrespective of the award or
24 payment of a contract with a State agency shall not
25 constitute "compensation" under item (ii) of this
26 definition. "Executive employee" does not include any

1 person prohibited by federal law from making contributions
2 or expenditures in connection with a federal, state, or
3 local election.

4 (b) Any business entity whose contracts with State
5 agencies, in the aggregate, annually total more than \$50,000,
6 and any affiliated entities or affiliated persons of such
7 business entity, are prohibited from making any contributions
8 to any political committees established to promote the
9 candidacy of (i) the officeholder responsible for awarding the
10 contracts or (ii) any other declared candidate for that office.
11 This prohibition shall be effective for the duration of the
12 term of office of the incumbent officeholder awarding the
13 contracts or for a period of 2 years following the expiration
14 or termination of the contracts, whichever is longer.

15 (c) Any business entity whose aggregate pending bids and
16 proposals on State contracts total more than \$50,000, or whose
17 aggregate pending bids and proposals on State contracts
18 combined with the business entity's aggregate annual total
19 value of State contracts exceed \$50,000, and any affiliated
20 entities or affiliated persons of such business entity, are
21 prohibited from making any contributions to any political
22 committee established to promote the candidacy of the
23 officeholder responsible for awarding the contract on which the
24 business entity has submitted a bid or proposal during the
25 period beginning on the date the invitation for bids or request
26 for proposals is issued and ending on the day after the date

1 the contract is awarded.

2 (d) All contracts between State agencies and a business
3 entity that violate subsection (b) or (c) shall be voidable
4 under Section 50-60. If a business entity violates subsection
5 (b) 3 or more times within a 36-month period, then all
6 contracts between State agencies and that business entity shall
7 be void, and that business entity shall not bid or respond to
8 any invitation to bid or request for proposals from any State
9 agency or otherwise enter into any contract with any State
10 agency for 3 years from the date of the last violation. A
11 notice of each violation and the penalty imposed shall be
12 published in both the Procurement Bulletin and the Illinois
13 Register.

14 (e) Any political committee that has received a
15 contribution in violation of subsection (b) or (c) shall pay an
16 amount equal to the value of the contribution to the State no
17 more than 30 days after notice of the violation concerning the
18 contribution appears in the Illinois Register. Payments
19 received by the State pursuant to this subsection shall be
20 deposited into the general revenue fund.

21 (Source: P.A. 95-971, eff. 1-1-09; 95-1038, eff. 3-11-09;
22 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the
23 effective date of changes made by P.A. 96-795); 96-848, eff.
24 1-1-10.)

25 Section 99. Effective date. This Act takes effect upon
26 becoming law.